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13 Proposed Attorneys for The Roman Catholic  
14 Archbishop of San Francisco

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA, SAN JOSE DIVISION

18 In re  
19 MISEN INC.  
20 Debtor and  
21 Debtor in Possession

Case No. 23-30564  
Chapter 11 Proceeding  
**DECLARATION OF ORI KATZ IN  
SUPPORT OF DEBTOR'S APPLICATION  
TO EMPLOY SHEPPARD, MULLIN,  
RICHTER & HAMPTON LLP AS  
BANKRUPTCY COUNSEL**

Judge: Hon. Dennis Montali

### *No Hearing Required*

1 I, Ori Katz, declare:

2 1. I am an attorney duly licensed to practice law in the State of California and a partner  
3 in the Finance and Bankruptcy Practice Group of the law firm Sheppard, Mullin, Richter & Hampton  
4 LLP (“Sheppard Mullin”), the proposed co-bankruptcy counsel for the Roman Catholic Archbishop  
5 of San Francisco (“RCASF” or the “Debtor”), the debtor and debtor in possession in the above-  
6 captioned bankruptcy case (the “Bankruptcy Case”). If called as a witness, I could and would testify  
7 competently thereto. My office is located at Four Embarcadero Center, 17<sup>th</sup> Floor, San Francisco,  
8 CA 94111.

9 2. This declaration is submitted pursuant to Bankruptcy Rules 2014(a) and 2016(b) and  
10 Bankruptcy Code sections 427 and 329 in support of the *Debtor’s Application to Employ Sheppard,*  
11 *Mullin, Richter & Hampton LLP as Bankruptcy Counsel* (the “Application”). I give capitalized  
12 terms not defined in this declaration the same meanings given to them in the Application. I have  
13 read the Application and hereby incorporate its factual statements.

14 3. The Debtor desires to employ Sheppard Mullin as its co-chapter 11 bankruptcy  
15 counsel along with Felderstein Fitzgerald Willoughby Pascuzzi & Rios LLP (“FFWPR”). A true  
16 and correct copy of Sheppard Mullin’s engagement agreement is attached hereto as Exhibit 1. A  
17 true and correct copy of further information regarding the qualifications of Sheppard Mullin and its  
18 attorneys is attached hereto as Exhibit 2 and is incorporated herein by reference.

19 4. The Debtor has requested the services of Sheppard Mullin to work alongside FFWPR  
20 as co-counsel because the Debtor knows Sheppard Mullin to be skilled in insolvency,  
21 reorganization, and commercial transaction matters and that the firm’s members have substantial  
22 knowledge and experience that will enable them to perform services of special benefit to the Debtor  
23 and its estate in a cost-effective manner. While FFWPR is a small boutique firm focused on  
24 insolvency and commercial litigation and holds special expertise in diocese cases, the Debtor  
25 believes that the substantial size and complexity of this particular Bankruptcy Case will necessitate  
26 the involvement of a full-service law firm with the depth and experience of Sheppard Mullin to work  
27 alongside FFWPR as its co-counsel.

28

1       5.     Sheppard Mullin's bankruptcy and restructuring practice has been a key element of  
2 the firm since its founding. Sheppard Mullin has represented its clients in all types of regional,  
3 national, and international insolvency matters, ranging from out-of-court loan workouts and  
4 financial restructurings to bankruptcy proceedings, committee matters, creditors' rights, and  
5 distressed asset acquisitions.

6       6.     Sheppard Mullin's attorneys frequently represent debtors in counseling and financial  
7 restructuring, as well as chapter 11 and other court proceedings. Sheppard Mullin's bankruptcy  
8 attorneys have helped companies in a variety of industries, including real estate, medical and life  
9 sciences (including biotech), retail, entertainment, manufacturing, telecommunications, technology,  
10 healthcare, and finance. In addition, Sheppard Mullin's attorneys have extensive experience  
11 representing debtors that have been victims of pre-petition fraud. As a large, broad-based  
12 commercial law firm, Sheppard Mullin is able to draw on all of the resources necessary to solve the  
13 multidisciplinary problems presented by complex insolvencies, including real estate, land use,  
14 intellectual property, corporate, ERISA, tax, labor and acquisitions concerns. Sheppard Mullin's  
15 clients span a wide spectrum, including secured lenders, debtors, bank groups, creditors'  
16 committees, indenture trustees, equity holders, bankruptcy trustees, and buyers.

17       7.     The Debtor originally engaged Sheppard Mullin in early June of 2023 to assist in  
18 preparing a possible chapter 11 bankruptcy filing. As a result of its prepetition representation of the  
19 RCASF, Sheppard Mullin has acquired in-depth knowledge of the Debtor's structure, operations,  
20 and liability profile. As such, Sheppard Mullin possesses the necessary background to address the  
21 legal issues and related matters that may arise in the administration of the Bankruptcy Case.

22       8.     Accordingly, given Sheppard Mullin's extensive experience not only in bankruptcy  
23 matters but also as a full-service law firm and its experience conducting prepetition work for the  
24 Debtor in preparation of this Bankruptcy Case, Sheppard Mullin is both well qualified and uniquely  
25 able to act as the Debtor's co-bankruptcy counsel in this Bankruptcy Case in an efficient and timely  
26 manner. Sheppard Mullin will work alongside and coordinate with FFWPR to guard against  
27 unnecessary duplication of services performed or charged to the Debtor's estate.

28

1       9.     The professional services which Sheppard Mullin will render to the Debtor are as  
2 follows:

- 3           a.     Advising and assisting the Debtor with respect to compliance with the  
4 requirements of the United States Trustee;
- 5           b.     Advising the Debtor with respect to its powers and duties as a debtor in  
6 possession;
- 7           c.     Advising the Debtor on the conduct of its Bankruptcy Case including all of  
8 the legal and administrative requirements of operating in chapter 11;
- 9           d.     Attending meetings and negotiating with the representatives of creditors and  
10 other parties in interest;
- 11           e.     Taking all necessary actions to protect and preserve the Debtor's estate,  
12 including assisting litigation counsel in prosecuting actions on the Debtor's behalf,  
13 defending any action commenced against the Debtor, and representing the Debtor's interests  
14 in negotiations concerning litigation in which the Debtor is involved;
- 15           f.     Preparing pleadings in connection with the Bankruptcy Case, including  
16 motions, applications, answers, orders, reports, and papers necessary or otherwise beneficial  
17 to the administration of the Debtor's estate;
- 18           g.     Making court appearances on behalf of the Debtor;
- 19           h.     Assisting the Debtor in the formulation, negotiation, confirmation, and  
20 implementation of a Chapter 11 plan and any auction, sale or other disposition of assets; and
- 21           i.     Taking such other action and performing such other services as the Debtor  
22 may require of Sheppard Mullin in connection with the Bankruptcy Case and any related  
23 proceedings.

24       10.    I believe Sheppard Mullin is a disinterested person within the meaning of Bankruptcy  
25 Code sections 101(14) and 1107(b) and is authorized to be employed under Bankruptcy Code  
26 section 327. Neither I, Sheppard Mullin, nor any partner of, counsel to, or associate of the firm  
27 represents any entity other than the Debtor in connection with this Bankruptcy Case. Sheppard  
28 Mullin does not represent any entity having a direct adverse interest in connection with the

1 Bankruptcy Case, nor does Sheppard Mullin have any adverse interest in this matter. Sheppard  
2 Mullin is not a creditor, equity security holder or an insider of the Debtor. Neither Sheppard Mullin,  
3 nor any attorney at Sheppard Mullin, is, or has ever been, a director, officer or employee of the  
4 Debtor at any time.

5       11. Along with my partners, I have reviewed the list of creditors provided by the Debtor  
6 and I have made reasonable inquiries of Sheppard Mullin's lawyers and staff to determine the nature  
7 of the connections described herein. Sheppard Mullin has run a computerized conflict check on the  
8 list of the Debtor's creditors as provided by the Debtor. As of the date of the Application, Sheppard  
9 Mullin has specifically researched its client database to determine whether it had any relationship  
10 with the following: (a) the Debtor; (b) all of the parties listed on the Debtor's creditor matrix; and  
11 (c) the Hon. Dennis Montali. I do not believe that any of Sheppard Mullin's current representations  
12 pose an adverse interest in connection with the Bankruptcy Case or disqualify Sheppard Mullin from  
13 representation of the Debtor under the Bankruptcy Code.

14       12. The current identity of many of the abuse claimants is not known at this time due to  
15 naming them as plaintiffs in the complaints as Doe plaintiffs. Consistent with Sheppard Mullin's  
16 standard practice with subsequently discovered creditors, once such information is available,  
17 Sheppard Mullin will perform a conflict check with its computerized system and supplement its  
18 disclosures if necessary.

19       13. To the best of my knowledge, neither I nor any other attorney or employee of  
20 Sheppard Mullin have any business or social connections with the Debtor, its creditors, their equity  
21 security holders, or with any parties in interest, their respective attorneys or accountants, or with the  
22 Office of the United States Trustee or any persons employed in the office of the United States  
23 Trustee, except as follows:

24           a. Sheppard Mullin currently represents insurance carriers AIG, Lexington  
25 Insurance Company, Allied World Assurance Company, Ironshore, Liberty Mutual Insurance,  
26 Arthur J. Gallagher & Co., Berkley Insurance Company, Homeland Insurance Company, Lloyd's  
27 of London, Plams Insurance, QBE Insurance Corporation, Reliance Life Insurance, Travelers, and  
28 Westchester, or their parent or subsidiary companies in matters unrelated to the Bankruptcy Case.

1 Sheppard Mullin understands that these insurance carriers provide insurance to the RCASF but  
2 believes that its representation of the RCASF in the Bankruptcy Case does not include taking  
3 positions directly adverse to these insurers' legal interests. Sheppard Mullin bases its conclusion in  
4 part on RCASF's employment of separate counsel to assist it in matters involving insurance  
5 companies.

6                   b.       Sheppard Mullin also currently represents the following banking institutions  
7 in matters unrelated to the Bankruptcy Case: Bank of America, National Association, Bank of San  
8 Francisco, California Bank & Trust, City National Bank, First Republic Bank, JP Morgan Chase  
9 Bank, N.A., U.S. Bank National Association, Wells Fargo Bank, N.A. ("Wells Fargo"), Western  
10 Alliance Bank, or their parent or subsidiary companies. It is important to note that, other than with  
11 respect to Wells Fargo, the RCASF is not currently indebted to any of these banking institutions,  
12 and even in the case of Wells Fargo, the RCASF's relationship is limited to certain corporate credit  
13 card agreements for corporate credit card accounts that the RCASF uses to more efficiently process  
14 employee reimbursements as described in the *Debtor's Emergency Motion for Order (1) Authorizing Payment Of Prepetition Wages, Salaries, and Employee Expenses; (2) to Pay Accrued Employee Benefits and Taxes; and (3) Directing Banks to Honor Payroll and Expense Checks* and the *Debtor's Emergency Motion for Interim and Final Orders (1) Authorizing Continued Use of Existing Cash Management System, Operational Bank Accounts and Related Investment Accounts; (2) Authorizing Maintenance of Existing Business Forms, (3) Excusing Compliance with Section 345(b); (4) Authorizing Continued Use of Current Investment Policy; and (5) Scheduling a Final Hearing*. Out of an abundance of caution, Sheppard Mullin and FFWPR have agreed that FFWPR will handle specific matters and discussions involving any potential adverse interest or position between the RCASF and the banking institutions that are current clients of Sheppard Mullin.

24                   c.       Sheppard Mullin currently represents, or has represented within the last five  
25 years, certain entities that also are listed on the Debtor's creditor matrix or their parents or  
26 subsidiaries (the "Parties") in matters unrelated to this Bankruptcy Case. These Parties are listed on  
27 Schedule 1 appended to this Declaration. During this Bankruptcy Case, Sheppard Mullin will not  
28

1 represent the RCASF in connection with matters directly adverse to the Parties, and the Debtor will  
2 instead rely on FFWPR or other conflicts counsel as appropriate to assist them.

3       14. I do not believe that any of these connections render Sheppard Mullin not a  
4 “disinterested person” within the meaning of 11 U.S.C. §§ 101(14), 327, and 1107(b).

5       15. Sheppard Mullin has agreed to discount its standard hourly rates by 20% for all  
6 attorneys working on this matter. These rates are subject to periodic adjustment to reflect economic  
7 and market conditions and increased experience and skill. The following schedule sets forth the  
8 hourly rates of the Sheppard Mullin attorneys most likely to render services in this Bankruptcy Case,  
9 which rates have been discounted by 20% from Sheppard Mullin’s normal and customary hourly  
10 rates:

Name	Title	Hourly Rate
Ori Katz	Partner	\$1,084 per hour
Alan H. Martin	Partner	\$956 per hour
Jeannie Kim	Associate	\$756 per hour
Ali Lattner	Associate	\$756 per hour
Gianna Segretti	Associate	\$708 per hour
Koray Erbasi	Associate	\$560 per hour

19       16. Sheppard Mullin also will bill for reasonable out-of-pocket expenses such as  
20 overnight mail costs, long distance telephone charges, travel expenses, recording fees, printing and  
21 reproduction costs and facsimile transmission charges, subject to Court approval.

22       17. During the 90-day period prior to the Petition Date, Sheppard Mullin received  
23 payments and advances in the aggregate amount of \$384,430 for professional services performed  
24 and to be performed, and expenses incurred and to be incurred, including professional services and  
25 expenses related to the commencement and prosecution of this Bankruptcy Case. In addition,  
26 Sheppard Mullin holds a retainer of \$100,000 (the “Retainer”) in favor of the Debtor to be  
27 maintained throughout the Bankruptcy Case. Furthermore, Sheppard Mullin holds a credit balance  
28 in favor of the Debtor for professional services performed and to be performed, and expenses

1 incurred and to be incurred, in connection with the Bankruptcy Case in the amount of \$33,102.70  
2 (the “Credit Balance”).

3       18. Sheppard Mullin understands and has agreed that hereafter it will apply to the Court  
4 for allowance of compensation and reimbursement of expenses in accordance with the applicable  
5 provisions of the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, the *United*  
6 *States Bankruptcy Court Northern District of California Guidelines for Compensation and Expense*  
7 *Reimbursement of Professionals and Trustees, effective February 19, 2014* (the “Local  
8 Guidelines”), the *U.S. Trustee Guidelines for Reviewing Applications for Compensation and*  
9 *Reimbursement of Expenses Filed under 11 U.S.C. § 330* (the “U.S. Trustee Guidelines,” and  
10 together with the Local Guidelines, the “Fee Guidelines”), and any further Orders of the Court (the  
11 “Orders”) for all professional services performed and expenses incurred after the Petition Date.  
12 Notwithstanding anything to the contrary contained in this Application and its supporting papers,  
13 Sheppard Mullin acknowledges that the relevant provisions of the Bankruptcy Code, Bankruptcy  
14 Rules, Bankruptcy Local Rules, Local Guidelines, and the Fee Guidelines will apply and prevail.

15       19. The rates set forth above are subject to periodic increase, usually at the beginning of  
16 each calendar year. Such changes will be noted on the billing statements for the first time period in  
17 which the revised rates become effective.

18       20. Sheppard Mullin understands that the Debtor has filed, or expects to file shortly,  
19 applications to employ: (1) FFWPR as co-bankruptcy counsel as noted above; (2) Weinstein &  
20 Numbers, LLP as special insurance counsel; (3) Weintraub Tobin as special litigation counsel; and  
21 (4) B. Riley as financial advisor, and that the Debtor also may file applications to employ additional  
22 professionals. Sheppard Mullin will monitor and coordinate with the other professionals employed  
23 by the Debtor in this Bankruptcy Case to ensure a clear delineation of each firm’s respective roles  
24 in connection with representation of the Debtor in this Bankruptcy Case to prevent unnecessary  
25 duplication of services and ensure the Bankruptcy Case is administered in the most efficient fashion  
26 possible. Rather than resulting in any extra or unnecessary expense to the Debtor’s estate, it is  
27 anticipated that the efficient coordination of efforts of the Debtor’s attorneys and other professionals  
28 will greatly add to the progress and effective administration of the Bankruptcy Case.

1       21. Sheppard Mullin understands and acknowledges that all compensation is subject to  
2 Bankruptcy Code sections 327, 329, 330 and 331.

3       22. No promises have been received by Sheppard Mullin, or any partner, counsel, or  
4 associate of Sheppard Mullin, as to payment or compensation in connection with this Bankruptcy  
5 Case other than in accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules,  
6 the Local Rules, and the Fee Guidelines. Furthermore, Sheppard Mullin has no agreement with any  
7 other entity to share compensation received by Sheppard Mullin or by such entity.

8       23. In response to the specific questions posed in section D.1 of the UST Large Case Fee  
9 Guidelines, I represent as follows:

10       a.       Sheppard Mullin has agreed to discount its standard hourly attorney rates by  
11       20%. Neither Sheppard Mullin nor any attorneys at Sheppard Mullin have otherwise altered  
12       their standard billing rates for this engagement, or made any adjustments based upon the  
13       geographic location of the case.

14       b.       Sheppard Mullin's representation of the RCASF prior to the Petition Date  
15       was on the same terms and rates as set forth in this Application.

16       c.       Any increase in applicable rates that may occur during the pendency of the  
17       case will be disclosed in accordance with the UST Large Case Fee Guidelines.

18       24. Sheppard Mullin has prepared and discussed with the RCASF a proposed estimated  
19       budget and a staffing plan. The RCASF has approved the staffing plan and budgets for post-petition  
20       period for August through December 2023, understanding that the budgets are estimates based upon  
21       the current agreed upon case strategy and information known to date.

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1       25. The Application requests approval of Sheppard Mullin's retention on rates, terms,  
2 and conditions consistent with what Sheppard Mullin charges non-chapter 11 debtors and in other  
3 chapter 11 cases, namely, prompt payment of Sheppard Mullin hourly rates (at a 20% reduction for  
4 standard hourly attorney rates), as adjusted from time to time, and reimbursement of out-of-pocket  
5 disbursements at cost or based on formulas that approximate the actual cost where the actual cost is  
6 not easily ascertainable.

7 I declare under penalty of perjury under the laws of the United States of America that the  
8 foregoing is true and correct.

9 Executed on this 18<sup>th</sup> day of September, 2023, at San Francisco, California.

/s/ Ori Katz  
ORI KATZ

## Schedule 1

	Creditor/Client	Current or Former Client
2		
3	ACC Business	Former
4	ADP, Inc.	Former
5	Beacon Pointe Advisors, LLC	Former
6	Crane Pest Control	Current
7	Federal Express Corp.	Former
8	Franciscan Friars	Current
9	San Damiano Retreat	Current
10	Holy Spirit Church	Current
11	Life Perspectives	Current
12	Pacific Gas & Electric	Current
	Rite Aid Corporation	Current
	Siemens Industry, Inc.	Current
	Sodexo, Inc.	Current
	Staples, Inc.	Current
	Talx UC Express	Former
	Thomson Reuters	Current
	TK Elevator Corporation	Current
	United Behavioral Health	Current
	Volta Charging, LLC	Former